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BY OVERNIGHT DELIVERY

Executive Secretary
South Carolina Public Service Commission
101 Executive Center Drive
Columbia, SC 29210

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Re: Notification by Adelphia Telecommunications, Inc. and Telecom Management, Inc. d/b/a Pioneer Telephone of an Asset Purchase Agreement

Dear Sir or Madam:

On behalf of Adelphia Telecommunications, Inc. ("ATI") and Telecom Management, Inc. d/b/a Pioneer Telephone ("Pioneer") (together "Applicants"), this letter is to advise the Commissions of an Asset Purchase Agreement (the "Agreement"), whereby Pioneer will acquire substantially all of the assets of ATI, including, but not limited to, ATI's customer accounts in this State (the "Acquisition").

It is our understanding, based upon review of the applicable statutes and regulations, that this transaction does not require prior Commission approval. Accordingly, absent written notice to the contrary within thirty (30) days of the date of this letter, the parties will proceed to consummate the transaction in a timely fashion.

Pioneer is a Maine corporation with principal offices located at 583 Warren Avenue, Portland, Maine 33815. Pioneer is a certified long distance telecommunications resale provider in this State.¹

ATI is a Delaware corporation with principal offices located at 5619 DTC Parkway, Englewood, Colorado 80111. ATI is a certified long distance telecommunications resale

¹ Pioneer provides resold long distance telecommunications services in this State pursuant to authority granted in Docket No. 2004-232-C, dated December 22, 2004.

provider in this State.² Since June 25, 2002, ATI has been operating under the protection of the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court").³ The sale of the customers and assets of ATI pursuant to the Agreement has been approved by the Bankruptcy Court.

The Acquisition contemplates the following:

- a. Pioneer will receive ownership, right, title and interest in and to substantially all of ATI's assets, including its customer accounts, as defined in the Agreement.⁴
- b. The bankruptcy estate of ATI will receive the purchase price set forth in the Agreement, pursuant to an Order of the Bankruptcy Court approving the Agreement.

Pioneer proposes the Acquisition to consolidate the business and customer accounts of ATI with Pioneer in order to create a single, larger provider of telecommunications services, facilitating efficiencies to benefit all of Pioneer's and ATI's customers. Service to ATI's customers will continue uninterrupted.

The customers of ATI will be given the opportunity to switch their service from ATI to a different carrier. Pioneer anticipates that none of the customers of ATI will experience any change in rates due to the Acquisition. To the extent that any of ATI's rates are not presently included in Pioneer's Tariffs, Pioneer will amend its Tariffs accordingly to include such rates. As a result, the transaction should not cause any inconvenience or confusion to the pre-existing customers of either ATI or Pioneer. Those customers of ATI who choose not to switch their service to a different carrier will receive service from Pioneer.

The technical, managerial and financial personnel of ATI will assist with the

² ATI provides resold local and long distance telecommunications services in this State pursuant to authority granted in Order No. 98-82, dated February 4, 1998.

³ See *In Re: Adelphia Communications Corporation, et al.*, Case No. 02-41729 (REG) (jointly Administered) (the "Chapter 11 Case") in the United States Bankruptcy Court for the Southern District of New York.

⁴ Sellers have entered into definitive agreements with Time Warner and Comcast providing for the sale of substantially all of ATI's U.S. assets. The assets which are the subject of this Agreement are not assets which are included in the Time Warner - Comcast sale.

transition and integration of the acquired Assets after the transaction and the technical, managerial and financial personnel of Pioneer will continue to serve the transferred ATI customers with the same high level of expertise.

Critical to the Acquisition is the need to ensure the continuation of high quality service to all customers currently served by ATI. The Acquisition will serve the public interest in that it will ensure that current ATI customers maintain uninterrupted service. The Acquisition will also serve to create a heightened level of operating efficiency which generally will serve to enhance the overall capacity of Pioneer to compete in the marketplace and to provide telecommunications services for a greater number of consumers in this State at competitive rates.

The parties are forwarding this letter to the Commission for informational purposes, to be included in the appropriate files. Absent receipt of written notification to the contrary within thirty (30) days of the date of this letter, we will proceed under the understanding that no approval or other formal action is required by the Commission prior to consummation of the proposed transaction.

Enclosed are the original and five (5) copies of this letter. Please return one (1) of the copies file-stamped in the envelope provided. If you need any further information or have any questions regarding the matters discussed herein, please do not hesitate to contact me. Thank you for your assistance in this matter.

Respectfully submitted,



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